

CONTRACT #10
RFS # 343.49-471

Department of Health

VENDOR:
Integrated Warehousing
Solutions



RECEIVED

JUN 19 2007

FISCAL REVIEW

STATE OF TENNESSEE
DEPARTMENT OF HEALTH
CORDELL HULL BLDG.
425 5TH AVENUE NORTH
NASHVILLE TENNESSEE 37247

PHIL BREDESEN
GOVERNOR

SUSAN R. COOPER, MSN, RN
COMMISSIONER

MEMORANDUM

TO: M. David Goetz, Jr., Commissioner, Dept. of Finance & Administration
James W. White, Executive Director, Fiscal Review Committee

FROM: Susan R. Cooper, MSN, RN, Commissioner, Dept. of Health *SR*

DATE: June 15, 2007

SUBJECT: Non-Competitive Contract Amendment Request

We are requesting approval to execute a Non-Competitive Amendment to the Integrated Warehousing Solutions contract. The amendment's start date will be August 31, 2007, which will be less than 60 days after receipt of this Non-Competitive Amendment Request.

This amendment will ensure continued maintenance for the next twelve (12) months starting 8/31/07 through 8/30/08. It will also provide for fifty (50) hours that will be budgeted for any modifications or enhancements that may be needed during 8/31/07 through 8/30/08. Because of the time critical nature of the continued support of this system, it is in the State's best interest to continue this service

We will be happy to provide any further information you may wish immediately upon your request. Thank you for your consideration on this Non-Competitive Amendment Request.

SRC:BAR:tp

REQUEST: NON-COMPETITIVE AMENDMENT

APPROVED

Commissioner of Finance & Administration
Date:

EACH REQUEST ITEM BELOW **MUST** BE DETAILED OR ADDRESSED **AS REQUIRED**.

1) RFS #	343.49-471-07	
2) State Agency Name :	Department of Health	
EXISTING CONTRACT INFORMATION		
3) Service Caption :	<u>State Pharmaceutical and Laboratory Information Tracking (SPLIT) system</u>	
4) Contractor :	Integrated Warehousing Solutions	
5) Contract #	FA-07-17177-00	
6) Contract Start Date :	2/1/07	
7) <u>Current</u> Contract End Date IF <u>all</u> Options to Extend the Contract are Exercised :	8/30/2007	
8) <u>Current</u> Total Maximum Cost IF <u>all</u> Options to Extend the Contract are Exercised :	\$2,035,600	
PROPOSED AMENDMENT INFORMATION		
9) <u>Proposed</u> Amendment #	1	
10) <u>Proposed</u> Amendment Effective Date : (attached explanation required if date is < 60 days after F&A receipt)	8/31/07	
11) <u>Proposed</u> Contract End Date IF <u>all</u> Options to Extend the Contract are Exercised :	8/30/08	
12) <u>Proposed</u> Total Maximum Cost IF <u>all</u> Options to Extend the Contract are Exercised :	\$2,200,600	
13) Approval Criteria : (select one)	<input checked="checked" type="checkbox"/> use of Non-Competitive Negotiation is in the best interest of the state <input type="checkbox"/> only one uniquely qualified service provider able to provide the service	
14) Description of the Proposed Amendment Effects & Any Additional Service :		
This amendment will ensure continued maintenance for the next 12 months starting 8/31/07 through out 8/30/08. Also fifty (50) hours will be budgeted for any modifications or enhancements that may be needed during 8/31/07 through 8/30/08.		
15) Explanation of Need for the Proposed Amendment :		

To ensure the monies are budgeted for continued maintenance, modifications and enhancements.

16) Name & Address of Contractor's Current Principal Owner(s) :
(not required if proposed contractor is a state education institution)

Joshua Vierling, Integrated Warehousing Solutions, 3075 Highland Pwky, suite 715, Downers Grove, IL 60515

17) Documentation of Office for Information Resources Endorsement :
(required only if the subject service involves information technology)

select one:

☐

Documentation Not Applicable to this Request

☒

Documentation Attached to this Request

18) Documentation of Department of Personnel Endorsement :
(required only if the subject service involves training for state employees)

select one:

☒

Documentation Not Applicable to this Request

☐

Documentation Attached to this Request

19) Documentation of State Architect Endorsement :
(required only if the subject service involves construction or real property related services)

select one:

☒

Documentation Not Applicable to this Request

☐

Documentation Attached to this Request

20) Description of Procuring Agency Efforts to Identify Reasonable, Competitive, Procurement Alternatives :

NA

21) Justification for the Proposed Non-Competitive Amendment :

This contract was originally bid through the RFP process with the B.2. Term Extension clause included. At this time we are amending the contract to add monies to cover ongoing maintenance.

REQUESTING AGENCY HEAD SIGNATURE & DATE :

(must be signed & dated by the ACTUAL procuring agency head as detailed on the Signature Certification on file with OCR— signature by an authorized signatory will be accepted only in documented exigent circumstances)

Susan R. Cooper MSN, RN

06-18-07

Susan R. Cooper, MSN, RN, Commissioner

Agency Head Signature

Date

**FAX TRANSMITTAL****to Request OIR Procurement Endorsement**

TO : Jane Chittenden, Director
OIR Procurement & Contract Management **FAX # 741-6164**

FROM : Terrie Nelson, Contract Administrator **FAX # 532-2286**

DATE : May 18, 2007

RFS # 343.49-471-07

RE : Procurement Endorsement — Provision of State Pharmaceutical and Laboratory Information (SPLIT) System

NUMBER OF FAX PAGES (including cover) : 2

The nature and scope of service detailed in the attached service procurement document(s) appears to require Office for Information Resources (OIR) review and support, because the procurement involves information technology or information systems services.

This communication seeks to ensure that OIR is aware of the procurement and has an opportunity to review the matter. Please determine whether OIR is supportive of the procurement. If you have any questions or concerns about this matter, please call Debbie Gregory at 253-1367.

Please indicate below your response to this proposed procurement, and return this communication at your earliest convenience (note the return FAX number above).

Thank you for your help.

Attachment(s)

OIR Endorsement :

5/31/07

OIR Chief Information Officer**Date**

CONTRACT SUMMARY SHEET

021406

RFS#				Contract #			
343.49-471-07				FA-07-17177-01			
State Agency				State Agency Division			
Department of Health				Bureau of Health Services Administration			
Contractor Name				Contractor ID # (FEIN or SSN)			
Integrated Warehousing Solution, LLC				<input type="checkbox"/> C- or <input checked="" type="checkbox"/> V- 36-4268567-00			
Service Description							
State Pharmaceutical and Laboratory Information (SPLIT) System							
Contract BEGIN Date		Contract END Date		Subrecipient or Vendor?		CFDA #	
1-Feb-07		30-Aug-08		Vendor		93.283	
Mark Each TRUE Statement							
<input checked="" type="checkbox"/> Contractor is on STARS				<input checked="" type="checkbox"/> Contractor's Form W-9 is on file in Accounts			
Allotment Code		Cost Center		Object Code		Fund	
343.49		135		139		11	
FY		State		Federal		Interdepartmental	
2007				\$ 1,454,000.00			
2008				\$ 609,100.00			
2009				\$ 137,500.00			
						\$ -	
						\$ -	
						\$ -	
TOTAL		\$ -		\$ 2,200,600.00		\$ 2,200,600.00	
COMPLETE FOR AMENDMENTS ONLY				State/Agency Fiscal Contact & Telephone #			
FY		Base Contract & Prior Amendments		THIS Amendment ONLY			
2007		\$ 1,454,000.00		\$ -			
2008		\$ 581,600.00		\$ 27,500.00			
2009		\$ -		\$ 137,500.00			
TOTAL		\$ 2,035,600.00		\$ 165,000.00			
End Date		30-Aug-07		30-Aug-08			
Contractor Ownership (complete only for base contracts with contract # prefix FA or GR)							
<input type="checkbox"/> African American		<input type="checkbox"/> Person w/ Disability		<input type="checkbox"/> Hispanic		<input type="checkbox"/> Small Business	
<input type="checkbox"/> Asian		<input type="checkbox"/> Female		<input type="checkbox"/> Native American		<input type="checkbox"/> NOT disadvantaged	
						<input type="checkbox"/> OTHER minority/disadvantaged—	
Contract Selection Method (complete for ALL base contracts—N/A to amendments or delegated authorities)							
<input type="checkbox"/> RFP		<input type="checkbox"/> Competitive Negotiation		<input type="checkbox"/> Alternative Competitive Method			
<input type="checkbox"/> Non-Competitive Negotiation		<input type="checkbox"/> Negotiation w/ Government (eg, ID, GG, GU)		<input type="checkbox"/> Other			
Procurement Process Summary (complete for Alternative Method, Competitive Negotiation, Non-Competitive Negotiation, OR Other)							

AMENDMENT ONE
TO CONTRACT FA-07-17177-00

This Contract, by and between the State of Tennessee, Department of Health, hereinafter referred to as the State, and Integrated Warehousing Solutions, hereinafter referred to as the Contractor, is hereby amended as follows:

1. Delete Section B.1, B.2., and C.1. in its entirety and insert the following in its place:
 - B.1. Contract Term. This Contract shall be effective for the period commencing on February 1, 2007 and ending on August 30, 2008. The State shall have no obligation for services rendered by the Contractor which are not performed within the specified period.
 - B.2. Term Extension. The State reserves the right to extend this Contract for an additional period or periods of time representing increments of no more than one year and a total contract term of no more than four (4) years, provided that the State notifies the Contractor in writing of its intention to do so at least thirty (30) days prior to the contract expiration date. An extension of the term of this Contract will be effected through an amendment to the Contract. If the extension of the Contract necessitates additional funding beyond that which was included in the original Contract, the increase in the State's maximum liability will also be effected through an amendment to the Contract and shall be based upon rates provided for in the original contract.
 - C.1. Maximum Liability. In no event shall the maximum liability of the State under this Contract exceed Two Million Two Hundred Thousand Six Hundred Dollars (\$2,200,600). The Service Rates in Section C.3 shall constitute the entire compensation due the Contractor for the Service and all of the Contractor's obligations hereunder regardless of the difficulty, materials or equipment required. The Service Rates include, but are not limited to, all applicable taxes, fees, overheads, and all other direct and indirect costs incurred or to be incurred by the Contractor.

The Contractor is not entitled to be paid the maximum liability for any period under the Contract or any extensions of the Contract for work not requested by the State. The maximum liability represents available funds for payment to the Contractor and does not guarantee payment of any such funds to the Contractor under this Contract unless the State requests work and the Contractor performs said work. In which case, the Contractor shall be paid in accordance with the Service Rates detailed in Section C.3. The State is under no obligation to request work from the Contractor in any specific dollar amounts or to request any work at all from the Contractor during any period of this Contract.

The other terms and conditions of this Contract not amended hereby shall remain in full force and effect.

IN WITNESS WHEREOF:

INTEGRATED WAREHOUSING SOLUTIONS, LLC:

PRELIMINARY
NOT FOR ISSUE

Josh Vierling, Director of Sales

Date

DEPARTMENT OF HEALTH:

Susan R. Cooper MSN, RN, Commissioner

Date

APPROVED:

DEPARTMENT OF FINANCE AND ADMINISTRATION:

M. D. Goetz, Jr., Commissioner

Date

COMPTROLLER OF THE TREASURY:

John G. Morgan, Comptroller of the Treasury

Date

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021406

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Department of Health		Bureau of Health Services Administration	
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Service Description			
State Pharmaceutical and Laboratory Information (SPLIT) System			
Contract BEGIN Date	Contract END Date	Subrecipient Vendor?	CFDA#
1-Feb-07	30-Aug-07	Vendor	93.283
Mark Each TRUE Statement			
<input checked="" type="checkbox"/> Contractor is on STARS		<input checked="" type="checkbox"/> Contractor's Form W-9 is on file in Accounts	
Allocation Code	Cost Center	Object Code	Fund
343.49	135	139	11
FY	State	Federal	Interdepartmental
2007		\$ 1,454,000.00	
2008		\$ 581,600.00	
TOTAL	\$ -	\$ 2,035,600.00	\$ -
COMPLETE FOR AMENDMENTS ONLY		State Agency Fiscal Contact & Telephone#	
FY	Base Contract & Prior Amendments	THIS Amendment ONLY	Crystal Allen (615) 741-9419
			State Agency Budget Officer Approval
			Crystal Allen / BAP
			Funding Certification (certification required by T.C.A. § 9-2-5113, that there is a balance in the appropriation from which the obligated expenditure is required to be paid that is not otherwise encumbered to pay obligations previously incurred)
TOTAL	\$ -	\$ -	
End Date			
Contractor Ownership (complete only for base contracts with contract prefix FA or GR)			
<input type="checkbox"/> African American	<input type="checkbox"/> Person w/ Disability	<input type="checkbox"/> Hispanic	<input type="checkbox"/> Small Business
<input type="checkbox"/> Asian	<input type="checkbox"/> Female	<input type="checkbox"/> Native American	<input type="checkbox"/> NOT disadvantaged
<input type="checkbox"/> OTHER minority/disadvantaged—			
Contractor Selection Method (complete for ALL base contracts - N/A to amendments or delegated authorities)			
<input checked="" type="checkbox"/> RFP	<input type="checkbox"/> Competitive Negotiation	<input type="checkbox"/> Alternative Competitive Method	
<input type="checkbox"/> Non-Competitive Negotiation	<input type="checkbox"/> Negotiation w/ Government (eg, ID, GG, GU)	<input type="checkbox"/> Other	
Procurement Process Summary (complete for Alternative Method, Competitive Negotiation, Non-Competitive Negotiation, OR Other)			

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JAN 24 2007